

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2011

Docket No. N2012-1

**RESPONSES OF THE UNITED STATES POSTAL SERVICE TO PUBLIC
REPRESENTATIVE'S FIRST SET OF INTERROGATORIES AND REQUESTS FOR
PRODUCTION TO UNITED STATES POSTAL SERVICE WITNESS BRATTA
(PR/USPS-T5-1-4)
(January 4, 2012)**

United States Postal Service witness Bratta (USPS-T-5) provides responses to the above-listed interrogatories of the Public Representative dated December 21, 2011. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno
Chief Counsel, Global Business

James M. Mecone
Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-6525; Fax -5402
January 4, 2012

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
PUBLIC REPRESENTATIVE INTERROGATORY

PR/USPS-T-5-1

Please refer to page 13, footnote 1, of your testimony where you state: "My testimony is based on the assumption that affected facilities will be completely closed. However, only 95 percent of Labor Distribution Codes 37 and 38 and non-personnel costs will be realized as savings. The balance of the 5 percent is attributed to those functions that are not affected by Network Rationalization. Facilities that require building systems support may be supported by FMO operations or Building Equipment Mechanics until the facility is eliminated from inventory. The estimates in my testimony are based on the "full-up" environment where all closed facilities have been sold or leased."

- a. Please provide the basis for the 95 percent estimate.
- b. Are there any estimates of expenses associated with the leasing or selling facilities? If so, please provide the estimates.
- c. Please identify any analysis or data supporting the calculation of the potential costs associated with layoffs or relocations.

RESPONSE:

- (a) Please see Library Reference USPS-LR-N2012-1/40.
- (b) Please see *Direct Testimony of Marc A. Smith on Behalf of the United States Postal Service (USPS-T-9)* at page 20.
- (c) I am aware of no "calculation of the potential costs associated with layoffs or relocations" associated with my testimony.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
PUBLIC REPRESENTATIVE INTERROGATORY

PR/USPS-T-5-2

Please refer to page 19, footnote 3, of your testimony which states: "To the extent that some closed facilities have multiple purposes and house operations not impacted by Network Rationalization, maintenance and utility costs might not be eliminated completely. But for these multi-purpose facilities, I anticipate that operations unaffected by Network Rationalization will account for a small percentage of the total building capacity."

- a. Have you performed any analysis to estimate the number (or percentage) of such multi-purpose facilities? Please explain, and if available, provide the estimates.
- b. Please explain the basis for the statement that for multi-purpose facilities "operations unaffected by Network Rationalization will account for a small percentage of the total building capacity."

RESPONSE:

(a-b) Please see the response to PR/USPS-T-5-1(a).

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
PUBLIC REPRESENTATIVE INTERROGATORY

PR/USPS-T-5-3

Please refer to USPS-LR-31, Maintenance Materials, Summary of Maintenance Labor and Other Savings Nov 24th.xlsm.

- a. Please confirm that the column entitled "Workyears" in Sheet: "Prod Hrly Rates," is equivalent to Full Time Equivalent Employees (FTEs). If confirmed, please reconcile or explain the sum of base FTEs in Sheet: "Nov 9th," to the sum of labor FTEs or labor plus management FTEs in the worksheet "Prd Hrly Rates.
- b. Please provide a library reference with the data and calculations used to determine the proposed FTEs for LDCs 36-39 in Worksheet Nov 9th. If unable to provide the data and calculations, please provide a full explanation of the method used.

RESPONSE:

(a-b) The document cited in this interrogatory is not part of any library reference supported or sponsored by witness Bratta or any other Postal Service witness. It was produced inadvertently as part of USPS-LR-N2012-1/31. A corrected Library Reference 31 was filed on December 6, 2011. See United States Postal Service Notice Regarding Filing of Corrected USPS Library Reference N2012-1/31 [Errata], PRC Docket No. N2012-1 (December 6, 2011).

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
PUBLIC REPRESENTATIVE INTERROGATORY

PR/USPS-T-5-4

Please refer to USPS-LR-33 Spare Parts, Copy of FY11_Parts_Network Consolidation Analysis.xls, Sheet: "1." Please clarify the meaning of Cell A9, "Estimated % Mail Processing Equipment Removals as % of Total Fleet." Please confirm that this cell refers to the percentage reduction mail processing equipment that would occur if the proposed network redesign plan were implemented.

- a. If confirmed, please provide the data and calculations used to derive the 40 percent figure.
- b. If not confirmed, please explain the meaning of cell A9 and explain how it was calculated.

RESPONSE:

The value in cell A9 reflects the percentage reduction in mail processing equipment likely to occur as a result of the proposed network rationalization plan.

- (a) The 40 percent figure is a conservative estimate based on the projected equipment set reflected in Library Reference USPS-LR-N2012-1/37, and the current equipment set reflected in Library Reference USPS-LR-N2012-1/17.
- (b) Not applicable.